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Supreme Court, U.S.
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No. 03-955

IN THE

Supreme Court of the United States

HARRY CARMICHAEL AND LOUISE CARMICHAEL,
PETITIONERS

v.

THE PAYMENT CENTER, INC.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

REPLY BRIEF

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Pursuant to Rule 15-6 of the Rules of the Supreme Court of the United States, Petitioners Harry Carmichael and Louise Carmichael submit this Reply Brief in response to the Brief in Opposition of Respondent Payment Center, Inc. (PCI).

I. PCI HAS CONCEDED THE ERROR OF THE COURT BELOW.

Respondent PCI does not defend the decision of the U.S. Court of Appeals for the Seventh Circuit that disclosure of the amounts due in the payment schedule need not be stated in a dollar amount and instead may be described in narrative form. *Carmichael v. Payment Ctr., Inc.*, 336 F.3d 636 (7th Cir. 2003). The Federal Reserve Board (FRB) refuted this decision and stated: "The Board believes that the decision, by endorsing narrative descriptions of amounts rather than numerical amounts, may lead to confusion in disclosures." (Pet. App. 53a) In fact, amounts have always been disclosed as a dollar figure. Thus, PCI leaves Petitioners with little to reply to.

II. THE LOWER COURT'S DECISION SHOULD BE VACATED AND REMANDED TO THE SEVENTH CIRCUIT TO CONFORM ITS DECISION TO THE INTERPRETATION OF THE FEDERAL RESERVE BOARD.

As a result of the lower court's decision, the FRB has been forced to implement the administrative rule making procedure. (Pet. App. 47a *et seq.*) Had the Seventh Circuit accepted the plain statement of the regulation and held that the numerical disclosures are to be stated as dollar amounts, the FRB would have

been saved from initiating this rulemaking. Furthermore, although the proposed rulemaking by the FRB will resolve this issue for future borrowers outside the Seventh Circuit, it does not correct the inaccurate disclosures made to Mr. and Mrs. Carmichael by PCI or the jurisprudential consequences within the Seventh Circuit. Respondent concedes that the FRB has begun administrative procedures regarding the interpretation of the Truth in Lending Act but provides no principled reason why the decision below should remain uncorrected.

CONCLUSION

The decision of the court below should be vacated and remanded to the Seventh Circuit to correct its ruling to conform with the clear interpretation of the Federal Reserve Board.

Respectfully submitted,

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